



# Nebraska and Local Consumer's Use Tax Return

FORM  
2

• Read instructions on reverse side

PLEASE DO NOT WRITE IN THIS SPACE

Nebraska Identification Number

Tax Period

NAME AND LOCATION ADDRESS

NAME AND MAILING ADDRESS

☐ Check this box if this is your final return

1 Cost of items or taxable services purchased for business use on which Nebraska sales tax has not been paid .....

2 Cost of items withdrawn from inventory for personal or business use .....

3 Total amount subject to Nebraska consumer's use tax (line 1 plus line 2) .....

4 Nebraska consumer's use tax (line 3 multiplied by .055 ) .....

5 Credit for tax paid to other states and subdivisions on items included on line 3 (see instructions) .....

6 Net Nebraska consumer's use tax (line 4 minus line 5) .....

• Complete the following schedule only if local consumer's use tax is being reported - see instructions and current rate table

Local Consumer's Use Tax Schedule				
Line Number	Local Code	Local Taxing Jurisdiction	Column A Amount of Line 3 Subject To Local Consumer's Use Tax	Column B Local Consumer's Use Tax (Column A x Rate)

7 Total local consumer's use tax (add amounts in Column B) .....

8 Total Nebraska and local consumer's use tax (line 6 plus line 7) .....

9 Previous balance with applicable interest at  
% per year and payments received through .....

10 BALANCE DUE (line 8 plus line 9). Pay in full with return .....

I declare under penalties of law that I have examined this return, and to the best of my knowledge and belief, it is correct and complete.

sign  
here

Authorized Signature

Telephone Number

Signature of Preparer Other Than Taxpayer

Title

Date

Address

Date

**THIS RETURN IS DUE ON OR BEFORE THE 25<sup>TH</sup> DAY OF THE MONTH FOLLOWING THE TAX PERIOD INDICATED ABOVE.**

Mail this return and payment to: **NEBRASKA DEPARTMENT OF REVENUE, P.O. BOX 98923, LINCOLN, NE 68509-8923**

Visit our Web site: **www.revenue.ne.gov**, or call **1-800-742-7474** (toll free in NE and IA) or **1-402-471-5729**.

## INSTRUCTIONS

**WHO MUST FILE.** Every person incurring a Nebraska and local business consumer's use tax liability must file this return on or before the due date. **If you do not have any Nebraska and local consumer's use tax liability for the tax period indicated on this return, you are not required to file a return.** If you have discontinued business and no longer expect to have any Nebraska and local consumer's use tax liability, please check the box indicating this is a final return and file the return.

If you are not currently filing a return with the department, please complete a Nebraska Tax Application, Form 20. After processing your application, the department will begin sending you a return based on your assigned filing frequency.

**WHEN AND WHERE TO FILE.** This return, properly signed and accompanied by a check or money order payable to the Nebraska Department of Revenue, will be considered timely filed if postmarked on or before the twenty-fifth day of the month following the tax period covered by the return. Mail to the Nebraska Department of Revenue, P.O. Box 98923, Lincoln, Nebraska 68509-8923. **Please make a copy of this return for your records.**

**PREIDENTIFIED RETURN.** This return may only be used by the taxpayer whose name is printed on it. If you have not received a preidentified return for a reporting period, request a duplicate from the Nebraska Department of Revenue. The taxpayer incurring a Nebraska business consumer's use tax liability, and who is not licensed, must request a preidentified Nebraska and Local Consumer's Use Tax Return, Form 2, to report the consumer's use tax due. Do not file consumer's use tax returns which are photocopies, returns for another tax period, or returns which have not been preidentified. If the business name, location or mailing address is not correct, mark through the incorrect information and plainly print the correct information.

**PENALTY AND INTEREST.** A penalty may be assessed for failure to timely file a return or to timely pay all tax when due. Interest on the unpaid tax will be assessed at the rate printed on line 9 from the due date until payment is received.

**VERIFICATION AND AUDIT.** Records to substantiate this return shall be retained and available for a period of at least three years following the date of filing this return.

**IMPORTANT NOTE:** If you are licensed for sales tax, consumer's use tax should be reported on your sales and use tax return.

**TRANSACTIONS SUBJECT TO CONSUMER'S USE TAX.** The consumer's use tax is a tax on items or taxable services purchased in Nebraska when there has been no payment of the sales tax. The consumer's use tax applies to the following transactions:

1. Items of inventory purchased tax free for resale which are withdrawn from inventory and used by the purchaser for personal or business use;
2. Items or taxable services purchased from a vendor who was not required or who failed to collect the Nebraska and local sales tax; and
3. Items or taxable services purchased outside Nebraska and brought into Nebraska for use, storage, or consumption on which a sales or use tax has not been paid to Nebraska or any other state.

**CREDIT FOR TAX PAID IN OTHER STATES.** If you have properly paid a tax in another state with respect to the purchase of an item for which the Nebraska consumer's use tax applies, a

credit for the dollar amount of tax paid to the other state and its subdivisions may be applied against the total of your Nebraska and local consumer's use tax liability. If the credit is equal to or greater than the tax imposed by Nebraska and its subdivisions on that item, no use tax is due. If the credit is less than the tax imposed by Nebraska and its subdivisions, then the difference is due. It may be necessary to allocate the credit between state and local taxes. The credit should be applied first against the amount of any tax due the state on the item. Any unused portion of the credit should then be applied against the local tax imposed on the item on the Local Consumer's Use Tax Schedule, Column B, by reducing the tax to reflect the net local tax after the credit. The invoice or tax return showing payment in another state of sales or use tax on the item must be retained with the taxpayer's records.

### SPECIFIC INSTRUCTIONS

**LINE 1.** Enter the cost of all items or taxable services which were purchased without payment of Nebraska sales or use tax and which were consumed or used by the purchaser.

**LINE 2.** Enter the cost of all inventory items purchased for resale without payment of Nebraska sales or use tax which were withdrawn from inventory and consumed by the purchaser.

**LINE 5.** If you paid sales tax in another state on any purchase included on line 3, you may take a credit for the tax you paid. The credit on line 5 cannot exceed the Nebraska use tax for such purchase. Additional credit against the local use tax may be allowed. Please refer to "Credit for Tax Paid in Other States" in these instructions. The invoices or tax returns showing the payment in another state of sales or use tax on the item must be retained with your records.

**LOCAL CONSUMER'S USE TAX SCHEDULE.** Complete the Local Consumer's Use Tax Schedule if local consumer's use tax is owed. Use the enclosed rate table to determine the correct local consumer's use tax rate. Write the line number, local code, and city or county name in the Local Taxing Jurisdiction section for all localities for which you are reporting a local tax. If you are reporting for more than 10 locations, please attach an additional schedule.

### EXAMPLE:

Line Number	Local Code	Local Taxing Jurisdiction	Column A	Column B
1	365	Omaha	600.00	9.00
14	274	LaVista	300.00	4.50
134	922	Dakota County	100.00	.50

**LINE 9.** A balance due or credit resulting from a partial payment, mathematical or clerical errors, penalty, or interest relating to prior returns will be entered in this space by the Nebraska Department of Revenue. Interest will be assessed on the unpaid tax through the due date of this return. If the amount due is paid before the due date, the interest will be recomputed and a credit will be given on your next return. If the amount entered has been satisfied by a previous remittance, it should be disregarded when computing the amount to remit on line 10.

**LINE 10.** Attach a check or money order payable to the Nebraska Department of Revenue for the amount on line 10.

**AUTHORIZED SIGNATURE.** This return must be signed by the owner, partner, or corporate officer. If the taxpayer authorizes another person to sign this return, there must be a power of attorney on file with the Nebraska Department of Revenue.

Any person who is paid for preparing a taxpayer's return must also sign the return as preparer.